## AMENDED IN SENATE JUNE 17, 2002 AMENDED IN SENATE JUNE 6, 2002

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

## **ASSEMBLY BILL**

No. 2981

Introduced by Committee on Agriculture (Matthews (Chair), Maldonado (Vice Chair), Briggs, Canciamilla, Cardoza, Florez, Hollingsworth, Oropeza, Reyes, Salinas, Strickland, Thomson, and Wiggins)

February 27, 2002

An act to amend Sections 6741, 19213, 19215, 24713, 25023, and 25703, 27573, and 27644 of, and to add Section 9102 to, the Food and Agricultural Code, and to amend Section 110485 of the Health and Safety Code, relating to agriculture.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2981, as amended, Committee on Agriculture: Agriculture: exemptions.

(1) Existing law generally provides that it is a misdemeanor for any person to sell any nursery stock unless the person holds a valid license issued upon payment of the prescribed license fee. Existing law also provides that a person is not required to pay any license fee if the person's sales of plants amount to less than \$500 within any one fiscal year, the person has reported to the county agricultural commissioner his or her intention to make those sales, and all plants sold by the person are of his or her own production, and are sold for planting within the county in which the plants were grown.

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This bill would enlarge the exemption from payment of license fees described above by including all persons who otherwise meet the criteria for exemption but whose sales of plants amount to less than \$1,000 within any one fiscal year.

(2) Existing law provides that the Department of Food and Agriculture shall periodically publish and make available a list of reportable conditions that pose or may pose significant threats to public health, animal health, the environment, or the food supply. Existing law provides that any person who has been informed, recognizes or should recognize, by virtue of education, experience, or occupation, that any animal or animal product is or may be affected by, has been exposed to, or may be transmitting or carrying any condition specified in the list shall report to the department all known information, as specified.

This bill would provide that all information provided to the department by an individual farm operator or farm organization representing livestock and poultry producers in connection with an animal disease shall be confidential and shall not be disclosed by the department.

(3) Existing law defines "rendering" and "transporter of inedible kitchen grease" for the purpose of regulating these activities.

This bill would expand these definitions to include other similar activities and make other clarifying changes. By expanding the scope of persons to whom existing crimes are applicable, this bill would impose a state-mandated local program.

(4) Existing law sets forth specified provisions relating to plant sanitation, poultry meat inspection for wholesomeness, and poultry classification, any violation of which is a misdemeanor. Existing law also provides an exemption from these provisions to a poultry plant where poultry which was produced on the premises is slaughtered, or to the poultry meat itself, if the poultry meat derived from the poultry is sold by the producer on or off the premises where it was produced to retail stores or public eating houses.

This bill would delete these exemptions. By expanding the scope of persons to whom existing crimes are applicable, this bill would impose a state-mandated local program.

(3)

(5) Existing law requires the Secretary of Food and Agriculture to appoint a Shell Egg Advisory Committee that is authorized to advise the secretary with respect to various issues related to eggs.

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This bill would allow the committee to advise the secretary with respect to components of the Egg Quality Assurance Plan, a voluntary food safety program developed by the egg industry in cooperation with various public agencies that are consistent with and promote the purposes of California law regarding eggs and egg products.

(6) Existing law makes it unlawful for an egg handler to sell, offer for sale, or expose for sale eggs that are packed or graded for human consumption unless certain requirements are met, including that the consumer container is labeled with a warning to keep the eggs refrigerated. An existing federal regulation, effective September 4, 2001, requires that, except as specified, the label of a package of eggs bear the statement "SAFE HANDLING INSTRUCTIONS: To prevent illness from bacteria: keep eggs refrigerated, cook eggs until yolks are firm, and cook foods containing eggs thoroughly."

This bill would provide that a consumer egg container is adequately marked with a warning to keep the eggs refrigerated if its labeling complies with the safe-handling instructions required by the aforementioned federal regulation.

(7) Existing law provides, with specified exceptions, that every person who is engaged in the manufacture, packing, or holding of processed food in this state shall pay a food safety fee of \$100 to the State Department of Health Services to be deposited in the Food Safety Fund, a special fund, and upon appropriation by the Legislature, to be used by the department to assist in developing and implementing education and training programs related to food safety. Existing law provides that this provision shall remain in effect only until January 1, 2003, and as of that date is repealed.

This bill would provide that the food safety fee provision shall instead remain in effect until January 1, 2006, at which time it would be repealed.

(8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

- SECTION 1. Section 6741 of the Food and Agricultural Code is amended to read:
- 6741. A person is not required to pay any license fee if all of 4 the following facts exist:
- (a) The person's sales of plants amount to less than one 5 thousand dollars (\$1,000) within any one fiscal year.
  - (b) The person has reported to the commissioner his or her intention to make those sales.
- (c) All plants which are sold by the person are of his or her own production, and are sold for planting within the county in which 10 the plants were grown.
- 12 SEC. 2. Section 9102 is added to the Food and Agricultural 13 Code. to read:
  - 9102. Notwithstanding any other provision of law, all information obtained by the department from an individual farm operator or farm organization representing livestock or poultry producers, in connection with an effort to identify, prevent, eradicate or control an animal disease, is confidential and shall not be disclosed by the department.
- 20 SEC. 3. Section 19213 of the Food and Agricultural Code is 21 amended to read:
  - 19213. "Rendering" means the all recycling, processing, and conversion of animal and fish byproducts materials and carcasses from the meat, poultry, and seafood industries, as well as used and inedible kitchen grease into fats, oils, and proteins and other products that are used primarily as feed in the animal, poultry, and pet food industries and other industries.
- 28 SEC. 4. Section 19215 of the Food and Agricultural Code is 29 amended to read:
  - 19215. "Transporter of inedible kitchen grease" means any person who transports inedible kitchen grease to a rendering plant or a collection center.
- 33 SEC. 5. Section 24713 of the Food and Agricultural Code is 34 amended to read:
- 24713. (a) This chapter does not apply to a poultry plant 35 where poultry which was produced on the premises is slaughtered 36 if the poultry meat which is derived from the poultry is sold by the 37 producer in any of the following ways:

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- (1) At retail upon the premises.
- (2) At retail off of the premises, either direct to consumers at their homes or at a retail stand which is operated by the producer in a farmers' market.
- (b) As used in this section, "producer" includes only an individual producer who does not employ, except in unforeseeable exigencies, any person except members of his or her immediate family.

SEC. 3.

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- SEC. 6. Section 25023 of the Food and Agricultural Code is amended to read:
- 25023. (a) This chapter does not apply to poultry meat which is derived from poultry which is produced upon the premises where it is slaughtered if the poultry meat is sold by the producer in any of the following ways:
  - (1) At retail on the premises.
- (2) At retail by the producer of the poultry meat off of the premises, either direct to consumers at their homes or at a retail stand which is operated by the producer in a farmers' market.
- (b) As used in this section, "producer" includes only an individual producer who does not employ, except in unforeseeable exigencies, any person except members of his or her immediate family.

SEC. 4.

- SEC. 7. Section 25703 of the Food and Agricultural Code is amended to read:
- 25703. (a) This part does not apply to poultry meat which is 28 derived from poultry which is produced upon the premises where it is slaughtered if the poultry meat is sold by the producer in any of the following ways:
  - (1) At retail upon the premises.
  - (2) At retail off of the premises, either direct to consumers at their homes or at a retail stand which is operated by the producer in a farmers' market.
- (b) As used in this section, "producer" includes only an 35 36 individual producer who does not employ, except in unforeseeable exigencies, any person except members of his or her immediate 37 38 family.
- SEC. 5. 39

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SEC. 8. Section 27573 of the Food and Agricultural Code is 1 amended to read:

- 3 27573. The committee shall be advisory to the director Secretary of Food and Agriculture on all matters pertaining to 5 standards for shell eggs. The committee may advise on:
  - (a) Quality of shell eggs.

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- (b) Recommendations concerning sampling.
- (c) Uniformity of inspection.
- (d) Adjustment of fees for proper administration and 10 enforcement.
  - (e) Annual budget for the administration and enforcement of this chapter and all matters pertaining to this chapter or regulations adopted pursuant thereto.
- (f) Components of the Egg Quality Assurance Plan, a voluntary 15 food safety program, that are consistent with and promote the purposes of this chapter.
  - SEC. 9. Section 27644 of the Food and Agricultural Code is amended to read:
- 27644. (a) It is unlawful for an egg handler, as defined in 20 Section 27510, to sell, offer for sale, or expose for sale eggs that are packed or graded for human consumption unless at least one of the following conditions is met:
  - (1) The consumer container is plainly, legibly, and conspicuously labeled "KEEP REFRIGERATED" or with words of similar meaning. Consumer container labeling that complies with the safe-handling instructions required by Section 101.17 of the Code of Federal Regulations shall be deemed to comply with this paragraph.
  - (2) A conspicuous sign is posted at the point of sale for eggs on bulk display advising consumers that the eggs are to be refrigerated as soon as practical after purchase.
  - (b) Except as provided in subdivision (c), it is unlawful for an egg handler to sell, offer for sale, or expose for sale eggs that are packed for human consumption unless each container intended for sale to the ultimate consumer is labeled on one outside top, side, or end with all of the following:
- (1) (A) The words "Sell-by" immediately followed by the 37 month and day in bold type, for example "June 30" or "6-30." 38
- Common abbreviations of months shall be permitted.

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(B) The sell-by date shall not exceed 30 days from the date on which the eggs were packed, excluding the date of packing.

- (C) If the eggs are repacked but not regraded, the original sell-by date shall apply.
- (2) A Julian pack date. As used in this paragraph, the Julian pack date is the consecutive day of the year on which the eggs were packed.
  - (3) The identification number of the plant of origin.

- (c) This section does not apply to eggs that are packaged for export. Paragraph (1) of subdivision (b) does not apply to eggs that are packaged for interstate commerce or eggs that are packaged for military sales.
- (d) All eggs returned from grocery stores, store warehouses, and institutions shall not be reprocessed for retail shell egg sales.
- (e) (1) For the purposes of paragraph (3) of subdivision (b), the department, in consultation with the Shell Egg Advisory Committee, shall establish a plant identification numbering system and assign identification numbers to all egg handling facilities.
- (2) For the purposes of complying with paragraph (3) of subdivision (b), an egg handling facility that is inspected by the United States Department of Agriculture, and to which a federal plant identification number has been assigned, may use the federal identification number, the identification number assigned by the department, or both.
- SEC. 10. Section 110485 of the Health and Safety Code is amended to read:
- 110485. (a) Every person who is engaged in the manufacture, packing, or holding of processed food in this state shall pay a food safety fee of one hundred dollars (\$100) to the department in addition to any fees paid pursuant to Section 110470.
- (b) Revenue received pursuant to this section shall be deposited in the Food Safety Fund created pursuant to Section 110050. A penalty of 10 percent per month shall be added to any food safety fee not paid when due.
- (c) Upon appropriation, the food safety fees deposited in the Food Safety Fund shall be used by the department to assist in developing and implementing education and training programs related to food safety. These programs shall be developed in consultation with representatives of the food processing industry.

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Implementation shall include education and training in the prevention of microbial contamination.

- (d) This section does not apply to companies exclusively involved in flour milling, dried bean processing, or in the drying or milling of rice, or to those individual registrants the director determines should not be assessed because substantial economic hardship would result to those registrants. For the purposes of this subdivision, the substantial hardship exemption shall be extended only to registrants whose wholesale gross annual income from the registered business is twenty thousand dollars (\$20,000) or less.
- (e) This section shall remain in effect only until January 1,  $\frac{2003}{2006}$ , and as of that date is repealed, unless a later enacted statute, that is enacted *on or* before January 1,  $\frac{2003}{2006}$ , deletes or extends that date.
- 14 SEC. 11. No reimbursement is required by this act pursuant 15 16 to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or 17 school district will be incurred because this act creates a new crime 19 or infraction, eliminates a crime or infraction, or changes the 20 penalty for a crime or infraction, within the meaning of Section 21 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.